

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

CALL HOME AMERICA, INC.

ALLEGED VIOLATION OF KRS 278.020
AND KRS 278.160

)
)
) CASE NO.
) 93-017
)
)

O R D E R

On October 16, 1992, Call Home America, Inc. ("Call Home") submitted an application for a Certificate of Public Convenience and Necessity to operate as a reseller of telecommunications services within the Commonwealth of Kentucky.¹

In response to an Order dated November 24, 1992, Call Home indicated it has provided service in Kentucky without Commission approval. Call Home's response is attached hereto and incorporated herein as Appendix A.

Accordingly, the Commission finds a prima facie case has been established that Call Home failed to file its application for a certificate to provide service and its tariff with the Commission prior to collecting compensation for such utility service resulting in a violation of the provisions of KRS 278.020 and KRS 278.160.

¹ Case No. 92-441, Application of Call Home America, Inc. for a Certificate of Public Convenience and Necessity to Operate as a Reseller of Telecommunications Services Within the State of Kentucky.

IT IS THEREFORE ORDERED that:

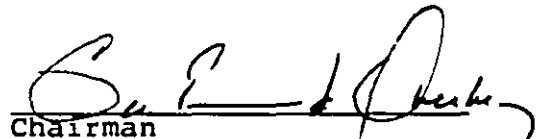
1. Call Home, represented by counsel, shall appear at an informal conference scheduled for February 4, 1993, at 1:30 p.m., Eastern Standard Time, in Conference Room 1 of the Commission's offices at 730 Schenkel Lane, Frankfort, Kentucky and be prepared to show why Call Home should not be penalized pursuant to KRS 278.990 for failing to comply with KRS 278.020 and KRS 278.160.

2. A public hearing has been scheduled for February 23, 1993, at 10:00 a.m., Eastern Standard Time, in Hearing Room 1 of the Commission's offices at 730 Schenkel Lane, Frankfort, Kentucky.

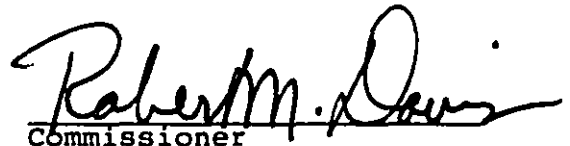
3. Call Home shall immediately stop charging for any and all telecommunications services within the Commonwealth of Kentucky.

Done at Frankfort, Kentucky, this 19th day of January, 1993.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:


Executive Director

RECEIVED

COMMONWEALTH OF KENTUCKY

DEC 23 1992

BEFORE THE PUBLIC SERVICE COMMISSION
PUBLIC SERVICE
COMMISSION

APPLICATION OF CALL HOME AMERICA, INC. §
FOR A CERTIFICATE OF PUBLIC CONVENIENCE §
AND NECESSITY TO OPERATE AS A RESELLER §
OF TELECOMMUNICATIONS SERVICES WITHIN §
THE STATE OF KENTUCKY §

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Case No. 93-017
DEC 23 1992

APPLICANT'S RESPONSE TO REQUEST FOR GENERATION
TO THE PUBLIC SERVICE COMMISSION OF KENTUCKY: GENERAL COUNSEL

Pursuant to the Order of the Commission dated November 24, 1992, Call Home America, Inc. ("Call Home") hereby provides its response to the following request for information:

1. Has Call Home or any of its affiliates ever provided and/or collected any money from the public for the provision of intrastate telecommunications services in Kentucky? If so, explain in detail.

RESPONSE

Call Home currently provides both intrastate and interstate telecommunications services in Kentucky. When Call Home began operations outside of Texas in April of 1990, it was under the impression that all of its services were interstate in character because all of the calls placed by its customers are switched over an interstate network. Therefore, a call from Frankfort to Lexington or Cincinnati to Cleveland was considered to be an interstate call due to the manner in which the call was switched.

Late in 1991 Call Home became aware of rulings by the various state regulatory commissions that an intrastate call remains an intrastate call regardless of the manner in which the call is switched and that the majority of these states require a reseller of telecommunications services to be certificated. Consequently,

Call Home began the process of obtaining certification in all states requiring certification. This is a lengthy process. To date, Call Home has been certificated in eighteen states. Call Home has complied with registration or exemption requirements in seven other states. Call Home has applications pending in nine other states.

Call Home has endeavored to complete the certification process as quickly as possible given the amount of time involved and the regulatory lag usually encountered. Call Home has approached the process by filing applications in the largest states first and those in which it has the most customers. At the time of the filing of its application in the above styled case, Call Home had approximately 390 customers in Kentucky representing a very small fraction of Call Home's total number of customers. According to current records, approximately sixty percent of the calls made by Call Home's Kentucky customers are interstate calls. Consequently, a sizable majority of the money collected from Call Home's Kentucky customers has been for interstate calls.

Call Home has never had any intention of evading the regulatory jurisdiction of the Public Service Commission of Kentucky or that of any other state. Once it became clear to Call Home that certification was necessary, it began the process in earnest. In every other state in which Call Home has been certified or has an application pending, Call Home has not sought to conceal the fact that its customers are making intrastate calls. In fact, in the thirty-three other states where Call Home has submitted itself to regulation, no state has expressed a concern with Call

Home's operations which are essentially the same as in Kentucky.

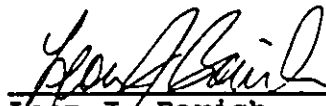
Respectfully submitted,

CALL HOME AMERICA, INC.
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- BY -

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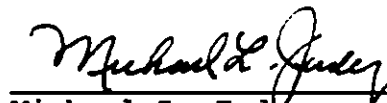
By:


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CERTIFICATE OF SERVICE

I hereby certify that on this the 23rd day of December, 1992, the Applicant's Response to Request for Information was served on The Hon. Don Mills, Executive Director of the Public Service Commission of the Commonwealth of Kentucky, at 730 Schenkel Lane, P.O. Box 615, Frankfort, Kentucky 40602, by placing the same in the U.S. mail, certified and postage paid.


Michael L. Judy